

Company Registration No. 00524814 (England and Wales)

BERWIN RUBBER COMPANY LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2009



BERWIN RUBBER COMPANY LIMITED

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BERWIN RUBBER COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2009

The directors present their report and financial statements for the year ended 31 July 2009

Principal activities and review of the business

The principal activity of the company continued to be that of the compounding of rubber, PVC and other elastomeric alloys

During the financial year the consequences of the 'credit crunch' and the 'global recession' were felt by the company and had an adverse effect. The company had no option but to look at its own cost base, this regrettably resulted in a redundancy programme and other cost saving exercises. These programmes were completed during the year, the entire workforce have worked with the company to help drive the changes that were required.

Borrowing costs were lower in the year due to the reduction in the bank base rate, however, the overall level of borrowing did not reduce due to the company continuing to invest in its capital programmes so that it will be in a stronger, more competitive position when we come out of the recession.

The drop in sales was mainly due to the automotive and building sector slow downs. The retained profits however at £885,007 (2008 £893,656) were very much in line with those of last year due to the actions taken. The company looks forward to an improvement in profitability next year.

In terms of financial risk management, the company considers that it has limited exposure to the various aspects of financial risk. The majority of the company's revenue is invoiced in sterling and all of its operations and costs arise within the UK. The company does not enter into currency hedging contracts. Further the company ensures its liquidity is maintained by entering into long term or short term financial instruments as necessary, to support its operational and other funding requirements.

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 1 August 2008

Mr G Williams
Mr M Smith
Mr S Hukin
Mr S Lawton
Mr P Stevenson

Introduction of the euro

The directors continue to monitor the potential introduction of the euro and feel confident that they can meet any challenges they may face.

Auditors

The auditors, Jackson Stephen LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

BERWIN RUBBER COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

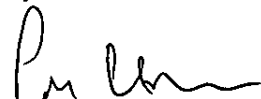
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Mr P. Stevenson

Secretary

13 November 2009

BERWIN RUBBER COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO BERWIN RUBBER COMPANY LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 16, together with the financial statements of Berwin Rubber Company Limited for the year ended 31 July 2009 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an auditors' report on abbreviated accounts and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Jackson Stephen LLP

Mrs Deborah Burton A.C.A. (Senior Statutory Auditor)
for and on behalf of Jackson Stephen LLP

7 December 2009

**Chartered Accountants
Statutory Auditor**

Broseley House
116 Bradshawgate
Leigh
Lancashire
WN7 4NT

BERWIN RUBBER COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 2009

	Notes	2009 £	2008 £
Turnover		21,417,159	24,685,423
Change in stocks of finished goods and work in progress		(65,385)	57,773
		21,351,774	24,743,196
Raw materials and other consumables	15,301,836	17,392,824	
Other external charges	1,184,594	1,770,185	
		(16,486,430)	(19,163,009)
Staff costs	3,220,333	3,628,241	
Depreciation	633,025	564,908	
Other operating income	(3,400)	(7,500)	
		(3,849,958)	(4,185,649)
Operating profit	2	1,015,386	1,394,538
Other interest receivable and similar income	3	-	1,594
Interest payable and similar charges	4	(165,997)	(250,807)
Profit on ordinary activities before taxation		849,389	1,145,325
Tax on profit on ordinary activities	5	35,618	(251,669)
Profit for the year	15	885,007	893,656

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

BERWIN RUBBER COMPANY LIMITED


ABBREVIATED BALANCE SHEET

AS AT 31 JULY 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Tangible assets	6	2,745,704		2,677,647	
Investments	7	200		200	
		<u>2,745,904</u>		<u>2,677,847</u>	
Current assets					
Stocks	8	1,069,506		1,474,654	
Debtors amounts falling due within one year	9	4,617,332		5,467,229	
Debtors amounts falling due after more than one year	9	4,606,031		2,690,198	
Cash at bank and in hand		29,093		8,369	
		<u>10,321,962</u>		<u>9,640,450</u>	
Creditors, amounts falling due within one year	10	(8,074,564)		(8,186,641)	
Net current assets		<u>2,247,398</u>		<u>1,453,809</u>	
Total assets less current liabilities		<u>4,993,302</u>		<u>4,131,656</u>	
Creditors: amounts falling due after more than one year	11	(32,257)		(20,000)	
Provisions for liabilities	12	(123,977)		(159,595)	
		<u>4,837,068</u>		<u>3,952,061</u>	
Capital and reserves					
Called up share capital	14	2,000		2,000	
Profit and loss account	15	4,835,068		3,950,061	
Shareholders' funds	16	<u>4,837,068</u>		<u>3,952,061</u>	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on 13 November 2009


Mr G Williams
Director

Company Registration No. 00524814

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable on an accruals basis for goods delivered before the year end net of VAT and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Leasehold land and buildings	14 to 35 years - straight line basis
Plant and machinery	3 to 12 years - straight line basis

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.7 Stock

Stock and work in progress are valued at the lower of cost and net realisable value. Work in progress and finished goods are valued at production cost, which includes an appropriate proportion of attributable overheads. Provision is made for any obsolete or slow moving items

1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1.9 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

1 Accounting policies

(continued)

1 10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Berwin Group Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

2	Operating profit	2009 £	2008 £
	Operating profit is stated after charging		
	Depreciation of tangible assets	633,025	564,908
	Operating lease rentals		
	- Land and buildings	68,000	68,000
	- Plant and machinery	56,060	66,530
	Fees payable to the company's auditor for the audit of the company's annual accounts	14,000	14,000
	Fees payable to the company's auditor for taxation services	1,000	1,368
	and after crediting		
	Profit on disposal of tangible assets	(3,400)	(7,500)
		<u> </u>	<u> </u>
3	Investment income	2009 £	2008 £
	Bank interest	-	1,594
		<u> </u>	<u> </u>
		-	1,594
		<u> </u>	<u> </u>
4	Interest payable	2009 £	2008 £
	On bank loans and overdrafts	5,238	1,197
	Hire purchase interest	4,276	5,131
	On amounts payable to factors	156,483	244,479
		<u> </u>	<u> </u>
		165,997	250,807
		<u> </u>	<u> </u>

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

5 Taxation	2009	2008
	£	£
Domestic current year tax		
U K corporation tax	-	255,103
	<u>-</u>	<u>255,103</u>
Current tax charge	-	255,103
Deferred tax		
Deferred tax credit for the current year	(35,618)	(3,434)
	<u>(35,618)</u>	<u>251,669</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	849,389	1,145,325
	<u>849,389</u>	<u>1,145,325</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 30.00%)	237,829	343,598
	<u>237,829</u>	<u>343,598</u>
Effects of		
Non deductible expenses	10,547	9,004
Depreciation add back	177,247	158,720
Capital allowances	(148,239)	(155,633)
Group relief	(277,384)	(100,586)
	<u>(237,829)</u>	<u>(88,495)</u>
Current tax charge	-	255,103
	<u>-</u>	<u>255,103</u>

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

6 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Total
	£	£	£
Cost			
At 1 August 2008	2,011,288	8,217,196	10,228,484
Additions	-	703,682	703,682
Disposals	-	(231,800)	(231,800)
At 31 July 2009	2,011,288	8,689,078	10,700,366
Depreciation			
At 1 August 2008	1,203,676	6,347,161	7,550,837
On disposals	-	(229,200)	(229,200)
Charge for the year	66,948	566,077	633,025
At 31 July 2009	1,270,624	6,684,038	7,954,662
Net book value			
At 31 July 2009	740,664	2,005,040	2,745,704
At 31 July 2008	807,612	1,870,035	2,677,647

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £
Net book values	
At 31 July 2009	-
At 31 July 2008	35,838
Depreciation charge for the year	
At 31 July 2009	35,838
At 31 July 2008	35,840

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

7 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 August 2008 & at 31 July 2009	200

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held	%
Subsidiary undertakings				
Berwin Management Services Limited	England and Wales	Ordinary	100	00
Berwin Plastics Limited	England and Wales	Ordinary	100	00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2009 £	Profit/(loss) for the year 2009 £
	Principal activity		
Berwin Management Services Limited	Non-trading	100	-
Berwin Plastics Limited	Non-trading	100	-

8 Stocks

	2009 £	2008 £
Raw materials and consumables	1,013,369	1,353,132
Finished goods and goods for resale	56,137	121,522
	<u>1,069,506</u>	<u>1,474,654</u>

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

9 Debtors	2009 £	2008 £
Trade debtors	4,482,528	4,742,714
Amounts owed by group undertakings	4,606,031	3,297,911
Other debtors	6,017	3,063
Prepayments and accrued income	128,787	113,739
	<u>9,223,363</u>	<u>8,157,427</u>

Amounts falling due after more than one year and included in the debtors above are

	2009 £	2008 £
Amounts owed by group undertakings	<u>4,606,031</u>	<u>2,690,198</u>

10 Creditors: amounts falling due within one year	2009 £	2008 £
Net obligations under hire purchase contracts	-	26,880
Trade creditors	3,333,089	4,350,657
Amounts owed to group undertakings	589,978	268,274
Corporation tax	14,917	196,396
Other taxes and social security costs	324,226	291,994
Other creditors	3,740,222	2,906,464
Accruals and deferred income	72,132	145,976
	<u>8,074,564</u>	<u>8,186,641</u>
Debt due in one year or less	<u>3,740,222</u>	<u>2,933,344</u>

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned

Other creditors comprise an amount of £3,731,570 (2008 £2,906,464) which is secured on the book debts of the company

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

11 Creditors amounts falling due after more than one year	2009 £	2008 £
Other loans	12,257	-
Deferred shares classed as a financial liability	20,000	20,000
	<u>32,257</u>	<u>20,000</u>
Analysis of loans		
Wholly repayable within five years	20,909	-
	<u>20,909</u>	<u>-</u>
Included in current liabilities	(8,652)	-
	<u>12,257</u>	<u>-</u>
Loan maturity analysis		
In more than one year but not more than two years	8,652	-
In more than two years but not more than five years	3,605	-
	<u>12,257</u>	<u>-</u>
Deferred shares classified as financial liabilities		
In more than five years	20,000	20,000
	<u>20,000</u>	<u>20,000</u>

Deferred shares classed as a financial liability relate to shares which have significantly restricted rights to dividends and capital, which amount to nil. The authorised share capital is made up of 20,000 Non-equity deferred shares of £1 each.

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

12 Provisions for liabilities

	Deferred tax liability £
Balance at 1 August 2008	159,595
Profit and loss account	(35,618)
	<hr/>
Balance at 31 July 2009	123,977
	<hr/>

The deferred tax liability is made up as follows.

	2009 £	2008 £
Accelerated capital allowances	123,977	159,595
	<hr/>	<hr/>

13 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

Defined contribution

	2009 £	2008 £
Contributions payable by the company for the year	92,218	80,974
	<hr/>	<hr/>

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

14 Share capital	2009 £	2008 £
Authorised		
100 Equity 'A' ordinary shares of £1 each	100	100
1,900 Equity 'B' ordinary shares of £1 each	1,900	1,900
	<u>2,000</u>	<u>2,000</u>

Allotted, called up and fully paid		
100 Equity 'A' ordinary shares of £1 each	100	100
1,900 Equity 'B' ordinary shares of £1 each	1,900	1,900
	<u>2,000</u>	<u>2,000</u>

All voting rights lie with the 'A' ordinary shares. In all other respects the 'A' and 'B' ordinary shares rank equally.

20,000 Non-equity deferred shares of £1 each are included within creditors due after more than one year.

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 August 2008	3,950,061
Profit for the year	885,007
	<u>4,835,068</u>
Balance at 31 July 2009	

16 Reconciliation of movements in shareholders' funds	2009 £	2008 £
Profit for the financial year	885,007	893,656
Opening shareholders' funds	3,952,061	3,058,405
	<u>4,837,068</u>	<u>3,952,061</u>
Closing shareholders' funds		

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

17 Contingent liabilities

Berwin Group Limited, Berwin Rubber Company Limited, Berwin Industrial Polymers Limited, Flexi-Cell (UK) Limited and Berwin of Lydney Limited are subject to a cross guarantee in favour of the group's bankers. At 31 July 2009 the company had a contingent liability under this agreement amounting to £1,753,958 (2008 £1,969,556)

18 Financial commitments

At 31 July 2009 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 July 2010

	Land and buildings			
	2009	2008	2009	Other 2008
	£	£	£	£
Operating leases which expire				
Between two and five years	-	-	29,540	81,848
In over five years	68,000	68,000	-	-
	<u>68,000</u>	<u>68,000</u>	<u>29,540</u>	<u>81,848</u>

19 Capital commitments

At 31 July 2009 the company had capital commitments as follows

	2009 £	2008 £
Contracted for but not provided in the financial statements	<u>9,794</u>	<u>241,525</u>

20 Directors' emoluments

	2009 £	2008 £
Emoluments for qualifying services	240,446	279,357
Company pension contributions to money purchase schemes	<u>19,656</u>	<u>18,300</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 4 (2008 - 4)

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	80,216	93,281
Company pension contributions to money purchase schemes	<u>6,552</u>	<u>6,100</u>

BERWIN RUBBER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2009 Number	2008 Number
Office and management	26	28
Production and sales	97	109
	<u>123</u>	<u>137</u>

Employment costs

	2009 £	2008 £
Wages and salaries	2,846,399	3,222,319
Social security costs	281,716	324,948
Other pension costs	92,218	80,974
	<u>3,220,333</u>	<u>3,628,241</u>

22 Ultimate parent company

The directors consider the ultimate parent company to be Berwin Group Limited, a company registered in England and Wales

Copies of the consolidated financial statements of Berwin Group Limited can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ